



DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

FEDERAL RESERVE SYSTEM

FEDERAL DEPOSIT INSURANCE CORPORATION

Proposed Agency Information Collection Activities; Comment Request

AGENCIES: Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Joint notice and request for comment.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. chapter 35), the OCC, the Board, and the FDIC (the “agencies”) may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The Federal Financial Institutions Examination Council (FFIEC), of which the agencies are members, has approved the agencies’ publication for public comment of a proposal to extend, with revision, the Consolidated Reports of Condition and Income (Call Report), which are currently approved collections of information. The addition of proposed new data items and the proposed revisions of some existing data items would take effect as of the June 30, 2013, report date, except for one proposed new data item that would be added to the Call Report effective December 31, 2013. At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the FFIEC and the agencies should modify the proposed revisions prior to giving

final approval. The agencies will then submit the revisions to OMB for review and approval.

DATES: Comments must be submitted on or before [INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the OMB control number(s), will be shared among the agencies.

OCC: You should direct all written comments to: Communications Division, Office of the Comptroller of the Currency, Mailstop 6W-11, Attention: 1557-0081, Washington, DC 20219. In addition, comments may be sent by electronic mail to regs.comments@occ.treas.gov. You may personally inspect and photocopy comments at the OCC, 400 7th Street, SW., Washington, DC 20219. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649-6700. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

All comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not enclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Board: You may submit comments, which should refer to “Consolidated Reports of Condition and Income (FFIEC 031 and 041),” by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at:
<http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include reporting form number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Robert deV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

All public comments are available from the Board's web site at

www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room MP-500 of the Board's Martin Building (20th and C Streets, NW.) between 9:00 a.m. and 5:00 p.m. on weekdays.

FDIC: You may submit comments, which should refer to "Consolidated Reports of Condition and Income, 3064-0052," by any of the following methods:

- Agency Web Site: <http://www.fdic.gov/regulations/laws/federal/propose.html>.
Follow the instructions for submitting comments on the FDIC Web site.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

- E-mail: comments@FDIC.gov. Include “Consolidated Reports of Condition and Income, 3064-0052” in the subject line of the message.
- Mail: Gary A. Kuiper, Counsel, Attn: Comments, Room NYA-5046, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.
- Hand Delivery: Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7 a.m. and 5 p.m.

Public Inspection: All comments received will be posted without change to <http://www.fdic.gov/regulations/laws/federal/propose.html> including any personal information provided. Comments may be inspected at the FDIC Public Information Center, Room E-1002, 3501 Fairfax Drive, Arlington, VA 22226, between 9 a.m. and 5 p.m. on business days.

Additionally, commenters may send a copy of their comments to the OMB desk officer for the agencies by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW., Washington, DC 20503; by fax to (202) 395-6974; or by e-mail to oir_submission@omb.eop.gov.

FOR FURTHER INFORMATION CONTACT: For further information about the revisions discussed in this notice, please contact any of the agency clearance officers whose names appear below. In addition, copies of the Call Report forms can be obtained at the FFIEC’s web site (http://www.ffiec.gov/ffiec_report_forms.htm).

OCC: Mary Gottlieb and Johnny Vilela, OCC Clearance Officers, (202) 649-6301 and (202) 649-7265, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, Washington, DC 20219.

Board: Cynthia Ayouch, Federal Reserve Board Clearance Officer, (202) 452-3829, Division of Research and Statistics, Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may call (202) 263-4869.

FDIC: Gary A. Kuiper, Counsel, (202) 898-3877, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

SUPPLEMENTARY INFORMATION: The agencies are proposing to revise and extend for three years the Call Report, which is currently an approved collection of information for each agency.

Report Title: Consolidated Reports of Condition and Income (Call Report).

Form Number: Call Report: FFIEC 031 (for banks and savings associations with domestic and foreign offices) and FFIEC 041 (for banks and savings associations with domestic offices only).

Frequency of Response: Quarterly.

Affected Public: Business or other for-profit.

OCC:

OMB Number: 1557-0081.

Estimated Number of Respondents: 1,902 national banks and federal savings associations.

Estimated Time per Response: 54.87 burden hours per quarter to file.

Estimated Total Annual Burden: 417,416 burden hours to file.

Board:

OMB Number: 7100-0036.

Estimated Number of Respondents: 843 state member banks.

Estimated Time per Response: 56.76 burden hours per quarter to file.

Estimated Total Annual Burden: 191,395 burden hours to file.

FDIC:

OMB Number: 3064-0052.

Estimated Number of Respondents: 4,464 insured state nonmember banks and state savings associations.

Estimated Time per Response: 41.53 burden hours per quarter to file.

Estimated Total Annual Burden: 741,560 burden hours to file.

The estimated time per response for the quarterly filings of the Call Report is an average that varies by agency because of differences in the composition of the institutions under each agency's supervision (e.g., size distribution of institutions, types of activities in which they are engaged, and existence of foreign offices). The average reporting burden for the filing of the Call Report as it is proposed to be revised is estimated to

range from 17 to 730 hours per quarter, depending on an individual institution's circumstances.

Type of Review: Revision and extension of currently approved collections.

General Description of Reports

These information collections are mandatory: 12 U.S.C. 161 (for national banks), 12 U.S.C. 324 (for state member banks), 12 U.S.C. 1817 (for insured state nonmember commercial and savings banks), and 12 U.S.C. 1464 (for federal and state savings associations). At present, except for selected data items, these information collections are not given confidential treatment.

Abstract

Institutions submit Call Report data to the agencies each quarter for the agencies' use in monitoring the condition, performance, and risk profile of individual institutions and the industry as a whole. Call Report data provide the most current statistical data available for evaluating institutions' corporate applications, identifying areas of focus for on-site and off-site examinations, and monetary and other public policy purposes. The agencies use Call Report data in evaluating interstate merger and acquisition applications to determine, as required by law, whether the resulting institution would control more than ten percent of the total amount of deposits of insured depository institutions in the United States. Call Report data also are used to calculate institutions' deposit insurance

and Financing Corporation assessments and national banks' and federal savings associations' semiannual assessment fees.

Current Actions

I. Overview

The agencies are proposing to implement a number of revisions to the Call Report requirements in 2013. These changes, which are discussed in detail in Sections II.A through II.F of this notice, are intended to provide data needed for reasons of safety and soundness or other public purposes by the members of the FFIEC that use Call Report data to carry out their missions and responsibilities, including the agencies, the Bureau of Consumer Financial Protection (Bureau), and state supervisors of banks and savings associations. Several proposed new data items would be added to the Call Report as of the June 30, 2013, report date, and certain existing data items would be revised as of the same date. One proposed new data item, which would be collected annually, would be added to the Call Report effective December 31, 2013.

The proposed changes include:

- A screening question that would be added to Schedule RC-E, Deposit Liabilities, asking whether the reporting institution offers separate deposit products (other than time deposits) to consumer customers compared to business customers, and
 - For those institutions with \$1 billion or more in total assets that offer separate products, new data items on the quarter-end amount of certain types of consumer

- transaction accounts and nontransaction savings deposit accounts that would be reported in Schedule RC-E, and
- For all institutions that offer separate products, a new breakdown on the year-to-date amounts of certain types of service charges on consumer deposit accounts reported as noninterest income in Schedule RI, Income Statement;
 - Information on international remittance transfers in Schedule RC-M, Memoranda, including:
 - Questions about types of international remittance transfers offered, the settlement systems used to process the transfers, and whether the number of remittance transfers provided exceeds or is expected to exceed the Bureau's safe harbor threshold (more than 100 transfers); and
 - New data items to be reported by institutions not qualifying for the safe harbor on the number and dollar amount of international remittance transfers;
 - Reporting in Schedule RC-M of all trade names that an institution uses to identify physical branches and Internet Web sites that differ from the institution's legal title;
 - Additional data to be reported in Schedule RC-O, Other Data for Deposit Insurance and FICO Assessments, by large institutions and highly complex institutions (generally, institutions with \$10 billion or more in total assets) to support the FDIC's large bank pricing method for insurance assessments, including a new table of consumer loans by loan type and probability of default band, new data items providing information on loans secured by real estate in foreign offices, revisions of certain existing data items on real estate loan commitments and U.S. government-guaranteed real estate loans to include those in foreign offices, and revisions to the

information collected on government-guaranteed assets to include the portion of non-agency residential mortgage-backed securities and loans covered under FDIC loss-sharing agreements.

- A new data item in Schedule RC-M applicable only to institutions whose parent depository institution holding company is not a bank or savings and loan holding company in which the institution would report the total consolidated liabilities of its parent depository institution holding company annually as of December 31 to support the Board's administration of the financial sector concentration limit established by Section 622 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Public Law 111-203 (Dodd-Frank Act); and
- A revision of the scope of the existing item in Schedule RI-A, Changes in Bank Equity Capital, for "Other transactions with parent holding company" to include such transactions with all stockholders.

For the June 30, 2013, and December 31, 2013, report dates, as applicable, institutions may provide reasonable estimates for any new or revised Call Report data item initially required to be reported as of that date for which the requested information is not readily available. The specific wording of the captions for the new or revised Call Report data items discussed in this proposal and the numbering of these data items should be regarded as preliminary.

II. Discussion of Proposed Call Report Revisions

A. Consumer Deposit Account Balances and Service Charges

The agencies propose to modify Schedule RC-E, Deposit Liabilities, to collect and distinguish certain deposit data by type of depositor for institutions with \$1 billion or more in total assets. The agencies also propose to modify Schedule RI, Income Statement, to collect data on certain service charges on consumer deposit accounts (in domestic offices) from all institutions that offer such accounts.

To identify the institutions that would be subject to these proposed new reporting requirements, the proposed modifications would include a screening question in Schedule RC-E concerning whether an institution offers consumer deposit accounts, i.e., accounts intended for use solely by individuals for personal, household, or family purposes. The question would be added to Schedule RC-E as of the June 30, 2013, report date. If the institution has \$1 billion or more in total assets and responds affirmatively to the screening question, the institution would be subject to the proposed Schedule RC-E consumer deposit account reporting requirements discussed below in Section II.A.1.; otherwise, it would not be subject to these new Schedule RC-E reporting requirements.¹ Regardless of how an institution with less than \$1 billion in total assets responds to the screening question, it would be exempt from the proposed Schedule RC-E reporting requirements. The agencies plan to review the aggregate responses to the screening question after one full year of implementation to determine whether to expand the new Schedule RC-E reporting requirements to some or all smaller institutions.

¹ In general, the determination as to whether an institution has \$1 billion or more in total assets would be measured as of June 30 of the previous calendar year, i.e., as of June 30, 2012, for the proposed new Schedule RC-E reporting requirements.

In addition, each institution, regardless of size, that responds affirmatively to the screening question to be added to Schedule RC-E would be subject to the proposed Schedule RI reporting requirements discussed below in Section II.A.2 effective June 30, 2013.

1. Consumer Deposit Account Balances

Schedule RC-E currently requires institutions to report separately transaction account and nontransaction account balances held in domestic offices according to broad categories of depositors. Over 90 percent of the reported balances are attributed to the category of depositors that includes “individuals, partnerships, and corporations.”² Deposits that are held by individual consumers are not distinguished from deposits held by partnerships or corporations.

Surveys indicate that over 90 percent of U.S. households maintain at least one deposit account.³ However, there is currently no reliable source from which to calculate the amount of funds held in consumer accounts.

The agencies propose that institutions that respond affirmatively to the screening question and have \$1 billion or more in total assets distinguish consumer deposits from those held by partnerships and corporations. More detailed Call Report data would significantly enhance the ability of the agencies and the Bureau to monitor consumers’ behavior—specifically, consumer use of deposit accounts as transactional, savings, and investment vehicles. Understanding deposit accounts by depositor type would also permit improved assessments of institutional liquidity risk. Thus, more detailed data could significantly enhance the ability of the agencies to assess institutional funding stability.

² Percentage is based on analysis of third quarter 2012 Call Report data.

³ See FDIC, *2011 FDIC National Survey of Unbanked and Underbanked Households* 4 (September 2012); Brian K. Bucks, Arthur B. Kennickell, Traci L. Mach, and Kevin B. Moore, *Changes in U.S. Family Finances from 2004 to 2007: Evidence from the Survey of Consumer Finances*, 95 Federal Reserve Bulletin A1, A20 (February 2009), available at: <http://www.federalreserve.gov/pubs/bulletin/2009/pdf/scf09.pdf>; see also Kevin Foster, Erik Meijer, Scott Schuh, and Michael Zabek, *The 2009 Survey of Consumer*

In 2010, the agencies proposed the disaggregation of consumer- or individually-owned deposits from those of businesses and organizations, i.e., partnerships and corporations. That proposal, however, would have required banks to distinguish consumer deposit balances by the account owner taxpayer identification number (TIN). The TIN methodology was ultimately deemed to be too burdensome, and the agencies withdrew the proposal from consideration.⁴

This current proposal is based on an alternative approach that the agencies believe to be less burdensome for depository institutions. Specifically, the agencies propose to require institutions to report in Schedule RC-E balances held in domestic transaction account products and nontransaction savings products that the institutions themselves *intended for consumer use* (rather than to report balances held in accounts actually used exclusively by individuals). Depository institutions recognize that consumers exhibit different needs and behaviors than do organizations and businesses. Consequently, the FFIEC and the agencies believe that most institutions maintain transaction and nontransaction savings deposit products specifically intended for consumer use, typically assigning different funding credit rates and tenure assumptions to consumer deposits than to business and other types of deposits. The FFIEC and the agencies believe this distinction will enable institutions to utilize the same totals maintained on their deposit systems of record and in their internal general ledger accounts to provide the proposed new consumer deposit account balance data.⁵ The agencies propose to introduce the

Payment Choice, Federal Reserve Bank of Boston: Public Policy Discussion Papers, No. 11-1, at 47 (2011), available at: <http://www.bos.frb.org/economic/ppdp/2011/ppdp1101.pdf>.

⁴ Agency Information Collection Activities, 76 FR 5253, 5261 (Jan. 28, 2011).

⁵ The FFIEC and the agencies believe that most depository institutions with distinct product offerings have instances in which proprietorships and microbusinesses utilize consumer deposit products; however, the amount of these balances is believed to be only a fraction of total consumer product balances and thus would not diminish the value of the substantial insight gained into the structure of institutions' deposits.

modifications to Schedule RC-E for the reporting of consumer deposit account data in the Call Report for the second quarter of 2013.

At the same time, the FFIEC and the agencies anticipate that certain institutions cater almost exclusively to non-consumer depositors and, as such, may not maintain segment-specific products. The proposal aims to identify these institutions by requiring all institutions to respond to the screening question (which would be designated as Memorandum item 5 of Schedule RC-E): “Does your institution offer consumer deposit accounts, i.e., transaction account or nontransaction savings account deposit products intended for individuals for personal, household, or family use?” Institutions with total assets of \$1 billion or more and answering “yes” to this screening question would be subject to the proposed new Schedule RC-E consumer deposit account reporting requirements. Institutions with total assets less than \$1 billion or answering “no” to the question would be exempt from these new reporting requirements and would continue to report deposit totals in Schedule RC-E as they currently do.

The \$1 billion threshold is proposed to ensure no undue burden on smaller institutions. However, the agencies intend to review small institution responses to the screening question after one year of implementation to determine whether to maintain or adjust the asset size exemption.

The FFIEC and the agencies understand that most institutions define time deposit products by tenure and rate and do not typically maintain time deposit accounts exclusively targeted to consumers. Thus, this proposal pertains only to non-time deposits in domestic offices.

More specifically, the agencies propose to revise Schedule RC-E, (part I), by building on new Memorandum item 5, the screening question described above, and adding new Memorandum item 6, “Components of total transaction account deposits of individuals, partnerships, and corporations,” which would be completed by institutions with total assets of \$1 billion or more that responded “yes” to the screening question posed in new Memorandum item 5. Proposed new Memorandum item 6 would include the following three-way breakdown of these transaction accounts, the sum of which must equal Schedule RC-E, item 1, column A.

- In Memorandum item 6.a, “Deposits in noninterest-bearing transaction accounts intended for individuals for personal, household, or family use,” institutions would report the amount of deposits reported in Schedule RC-E, (part I), item 1, column A, held in noninterest-bearing *transaction* accounts (in domestic offices) intended for individuals for personal, household, or family use. The item would exclude certified and official checks as well as pooled funds and commercial products with sub-account structures, such as escrow accounts, that are held for individuals but not eligible for consumer transacting, saving, or investing.
- In Memorandum item 6.b, “Deposits in interest-bearing transaction accounts intended for individuals for personal, household, or family use,” institutions would report the amount of deposits reported in Schedule RC-E, (part I), item 1, column A, held in interest-bearing *transaction* accounts (in domestic offices) intended for individuals for personal, household, or family use. The item would exclude pooled funds and commercial products with sub-account structures, such as escrow accounts, that are held for individuals but not eligible for consumer transacting, saving, or investing.

- In Memorandum item 6.c, “Deposits in all other transaction accounts of individuals, partnerships, and corporations,” institutions would report the amount of all other transaction account deposits included in Schedule RC-E, (part I), item 1, column A, that were not reported in Memorandum items 6.a and 6.b. If an institution offers one or more transaction account deposit products intended for individuals for personal, household, or family use, but has other transaction account deposit products intended for a broad range of depositors (which may include individuals who would use the product for personal, household, or family use), the institution would report the entire amount of these latter transaction account deposit products in Memorandum item 6.c. For example, if an institution has a single negotiable order of withdrawal (NOW) account deposit product that it offers to all depositors eligible to hold such accounts, including individuals, sole proprietorships, certain nonprofit organizations, and certain government units, the institution would report the entire amount of its NOW accounts in Memorandum item 6.c. The institution would not need to identify the NOW accounts held by individuals for personal, household, or family use and report the amount of these accounts in Memorandum item 6.a.

The agencies also propose to revise Schedule RC-E, (part I), by adding new Memorandum item 7, “Components of total nontransaction account deposits of individuals, partnerships, and corporations,” which would be completed by institutions with total assets of \$1 billion or more that responded “yes” to the screening question posed in new Memorandum item 5. Proposed new Memorandum item 7 would include breakdowns of the nontransaction savings deposit accounts of individuals, partnerships, and corporations (in domestic offices) included in Schedule RC-E, item 1, column C,

described below. Nontransaction savings deposit accounts consist of money market deposit accounts (MMDAs) and other savings deposits. Specifically, proposed Memorandum item 7.a would include breakouts of “Money market deposit accounts (MMDAs) of individuals, partnerships, and corporations.” Proposed Memorandum item 7.b would include breakouts of “Other savings deposit accounts of individuals, partnerships, and corporations.” Proposed Memorandum item 7 would exclude all time deposits of individuals, partnerships, and corporations reported in Schedule RC-E, item 1, column C. As with proposed new Memorandum item 6 on the components of total transaction accounts of individuals, partnerships, and corporations, if an institution offers one or more nontransaction savings account deposit products intended for individuals for personal, household, or family use, but has other nontransaction savings account deposit products intended for a broad range of depositors (which may include individuals who would use the product for personal, household, or family use), the institution would report the entire amount of these latter nontransaction savings account deposit products in Memorandum item 7.a.(2) or 7.b.(2), as appropriate.

- In Memorandum item 7.a.(1), “Deposits in MMDAs intended for individuals for personal, household, or family use,” institutions would report the amount of deposits reported in Schedule RC-E, (part I), item 1, column C, held in MMDAs intended for individuals for personal, household, or family use. The item would exclude MMDAs in the form of pooled funds and commercial products with sub-account structures, such as escrow accounts, that are held for individuals but not eligible for consumer transacting, saving, or investing.

- In Memorandum item 7.a.(2), “Deposits in all other MMDAs of individuals, partnerships, and corporations,” institutions would report the amount of all other MMDA deposits included in Schedule RC-E, (part I), item 1, column C, that were not reported in Memorandum item 7.a.(1).
- In Memorandum item 7.b.(1), “Deposits in other savings deposit accounts intended for individuals for personal, household, or family use,” institutions would report the amount of deposits reported in Schedule RC-E, (part I), item 1, column C, held in other savings deposit accounts intended for individuals for personal, household, or family use. The item would exclude other savings deposit accounts in the form of pooled funds and commercial products with sub-account structures, such as escrow accounts, that are held for individuals but not eligible for consumer transacting, saving, or investing.
- In Memorandum item 7.b.(2), “Deposits in all other savings deposit accounts of individuals, partnerships, and corporations,” institutions would report the amount of all other savings deposits included in Schedule RC-E, (part I), item 1, column C, that were not reported in Memorandum item 7.b.(1).

The sum of Memorandum items 7.a.(1), 7.a.(2), 7.b.(1), and 7.b.(2) plus the amount of all time deposits of individuals, partnerships, and corporations must equal Schedule RC-E, item 1, column C.

The agencies seek specific comment on the clarity of the screening question that would be posed to all institutions in new Memorandum item 5 of Schedule RC-E, (part I,) and of the descriptions of the components of total transaction and total nontransaction account deposits of individuals, partnerships, and corporations that would be reported in

new Memorandum items 6 and 7 of Schedule RC-E, (part I,) by institutions with total assets of \$1 billion or more that responded “yes” to the screening question posed in new Memorandum item 5.

2. Consumer Deposit Service Charges

The agencies propose to modify Call Report Schedule RI, Income Statement, by adding new Memorandum item 15 in which institutions that responded “yes” to the new screening question posed in Memorandum item 5 of Schedule RC-E, (part I,) would report a breakdown of the amount reported in Schedule RI, item 5.b, “Service charges on deposit accounts (in domestic offices).”⁶ The proposed breakdown would include separate items for three categories of consumer deposit fees: (1) overdraft-related service charges, (2) monthly maintenance charges, and (3) automated teller machine (ATM) fees. A fourth item would include all other service charges and fees on deposit accounts (in domestic offices) not reported in one of the first three categories. Although these new items would be reported on a calendar year-to-date basis, the agencies propose to introduce new Memorandum item 15 of Schedule RI in the Call Report for the second quarter of 2013.

The aggregate amount of deposit account fees reported today in Schedule RI, item 5.b, represents a substantial portion of industry operating income. Service charges on deposits totaled more than \$33 billion in 2011⁷ and can include dozens of types of fees that institutions levy against consumers, small businesses, large corporations, and other

⁶ The breakdown of service charges on deposit accounts would be reported by all institutions that answered the screening question in the affirmative, not just institutions with \$1 billion or more in total assets.

types of deposit customers. Dependence upon service charges on deposit accounts is higher for smaller institutions and may account for 30 percent or more of such an institution's noninterest revenues.⁸

However, there is currently no comprehensive data source from which supervisors and policymakers can estimate or evaluate the composition of these fees and how they impact consumers and a depository institution's earnings stability. The agencies thus propose that institutions that offer consumer deposit accounts itemize three key categories of service charges on such deposit accounts: overdraft-related service charges on consumer accounts, monthly maintenance charges on consumer accounts, and consumer ATM fees.

More detailed data will support the agencies and the Bureau in monitoring the types of transactional costs borne by consumers. Data specific to overdraft-related fees is particularly pertinent for supervisors and policymakers in part because of recent trends in such fees and because of concerns about the harm such fees may impose on some depositors. The FFIEC and the agencies believe that, since the early 1990s, overdraft-related fees have grown in absolute magnitude and may also have grown as a share of deposit account service charges. Several factors contributed to this trend, including the introduction of bank-discretionary overdraft coverage programs, consumers' acclimation to debit cards and other emerging forms of payment, and the industry's embracing of "free" checking products that sacrificed monthly maintenance fees and increased reliance on penalty and other transactional fees to generate service charge revenues.

Bankrate.com's 2012 Checking Account Survey suggests that the average fee charged for

⁷ Figure is based on analysis of Call Report data.

⁸ The ratio for all banks was 13.8 percent in 2011 per analysis of Call Report data.

a single overdraft transaction has increased steadily and dramatically over the last 15 years.⁹

More recently, however, overdraft-related fee revenue as a percentage of deposit account service charges may have begun to decline. Regulation and guidance proposed or issued by various agencies in recent years and a 2008 study issued by the FDIC raised concerns about potential consumer harm resulting from bank-discretionary overdraft coverage programs.¹⁰ Additionally, starting in 2010, depository institutions have been prohibited from imposing a charge for paying an ATM or one-time debit card transaction unless they have obtained the consumer's affirmative consent to the overdraft service, among other requirements.¹¹ Consumer advocacy groups have further raised public awareness of industry practices, as have class action lawsuits and settlements related to such practices. The FFIEC and the agencies believe that, in response, many depository institutions have revised fee schedules, account agreements, and internal policies and procedures pertaining to overdraft transactions. Some industry representatives contend that these and other economic factors may have helped account for a reduction in service charges on deposit accounts by 22 percent from levels prevailing just two years ago.¹²

An institution reliant on declining deposit fee revenue that makes no other changes to its business model could be challenged to maintain a viable retail banking

⁹ Bankrate.com, "Checking Fees Rise to Record Highs in 2012," Claes Bell, available at: <http://www.bankrate.com/finance/checking/checking-fees-record-highs-in-2012.aspx#slide=5>.

¹⁰ OCC, *Guidance on Deposit-Related Consumer Credit Products*, 76 FR 33409 (June 8, 2011) (proposed guidance); FDIC, *Overdraft Payment Programs and Consumer Protection Final Overdraft Payment Supervisory Guidance*, FIL-81-2010 (Nov. 24, 2010), available at: www.fdic.gov/news/news/financial/2010/fil10081.html; 74 FR 59033 (Nov. 17, 2009) (amendment of Regulation E); *see also* 74 FR 5584 (July 29, 2009) (amendment of Regulation DD); *FDIC Study of Bank Overdraft Programs* (Nov. 2008), available at: <http://www.fdic.gov/bank/anlytical/overdraft/>.

¹¹ 12 CFR 1005.17.

¹² Figures based on analysis of Call Report data for depository institutions with \$10 billion or more in total assets.

business. To replace lost overdraft income, as well as interchange revenue impacted by the Dodd-Frank Act's amendment to Section 920 of the Electronic Fund Transfer Act, many institutions have altered their pricing of checking products to require consumers to maintain higher average balances or pay monthly account maintenance fees.¹³

Additionally, institutions that have deployed large ATM networks may continue to look to recoup their investment and maintenance costs through surcharges and foreign ATM transaction fees. New sources of deposit service charges could emerge to contribute to revenue stability but raise further questions about the amount of fees consumers must pay to utilize the banking system.

As a result, greater understanding of trends in overdraft fees and other deposit service charges is necessary to assess institutional health and enhance understanding of the costs and potential risks financial services pose to consumers.¹⁴

The FFIEC and the agencies believe that the vast majority of institutions track individual categories of deposit account service charges as distinct revenue line items within their general ledger or other management information systems, which would facilitate the reporting of service charge information in the Call Report. However, the FFIEC and the agencies recognize that internal accounting and recordkeeping practices may vary across institutions and that disaggregating all types of fees could be burdensome on smaller institutions. Because the FFIEC and the agencies believe that overdraft-related, monthly maintenance, and ATM fees are of most immediate concern to

¹³ Bankrate.com's 2012 Checking Account Survey found 39 percent of institutions offering consumer checking accounts with no minimum balance requirement or monthly maintenance fee in 2012, down from 76 percent in 2009. Bankrate.com, "Checking Fees Rise to Record Highs in 2012," Claes Bell, available at: <http://www.bankrate.com/finance/checking/checking-fees-record-highs-in-2012.aspx#slide=2>.

¹⁴ The FDIC's 2008 *Study of Bank Overdraft Programs* provided insight into these fees, but the data underlying that study is now six years old and only a small subset of the industry participated in the study.

supervisors and policymakers, this proposal calls for the separation of these consumer deposit service charges only.

As noted in the consumer deposit balance proposal discussed above, the FFIEC and the agencies anticipate that certain institutions cater almost exclusively to non-consumer markets, and as such, may not maintain segment-specific products. The FFIEC and the agencies do not expect these institutions to differentiate within their accounting and operational systems between fees levied against consumer versus non-consumer depositors. Thus, the agencies propose to utilize responses to the proposed Schedule RC-E consumer deposit account screening question to govern deposit service charge reporting requirements. Specifically, institutions that report “yes” to the question posed in proposed Schedule RC-E, Memorandum item 5, “Does your institution offer consumer deposit accounts, i.e., transaction account or nontransaction savings account deposit products intended for individuals for personal, household, or family use?” would be subject to the proposed new reporting requirements of Schedule RI, Memorandum item 15, while those that respond “no” would not. There is no proposed exemption from these Schedule RI reporting requirements for institutions with total assets less than \$1 billion that answer “yes” to the Schedule RC-E screening question.

As mentioned above, the agencies propose to add a new Memorandum item 15, “Components of service charges on deposit accounts (in domestic offices)” to Schedule RI, which would include the following specific items:

- Memorandum item 15.a, “Consumer overdraft-related service charges on deposit accounts.” For deposit accounts intended for individuals for personal, household, and family use, this item would include service charges and fees related to the processing

of payments and debits against insufficient funds, including “nonsufficient funds (NSF) check charges,” that the institution assesses with respect to items that it either pays or returns unpaid, and all subsequent charges levied against overdrawn accounts, such as extended or sustained overdraft fees charged when accounts maintain a negative balance for a specified period of time, but not including those equivalent to interest and reported elsewhere in Schedule RI (“Interest and fee income on loans (in domestic offices)”).

- Memorandum item 15.b, “Consumer account monthly maintenance charges.” For deposit accounts intended for individuals for personal, household, and family use, this item would include service charges for account holders’ maintenance of their deposit accounts with the institution (often labeled “monthly maintenance charges”), including charges resulting from the account owners’ failure to maintain specified minimum deposit balances or meet other requirements (e.g., requirements related to transacting and to purchasing of other services), as well as fees for transactional activity in excess of specified limits for an account and recurring fees not subject to waiver.
- Memorandum item 15.c, “Consumer customer ATM fees.” For deposit accounts maintained at the institution and intended for individuals for personal, household, and family use, this item would include service charges for transactions, including deposits to or withdrawals from deposit accounts, conducted through the use of ATMs or remote service units (RSUs) owned, operated, or branded by the institution or other institutions. The item would not include service charges levied against

deposit accounts maintained at other institutions for transactions conducted through the use of ATMs or RSUs owned, operated, or branded by the reporting institution.¹⁵

- Memorandum item 15.d, “All other service charges on deposit accounts.” This item would include all other service charges on deposit accounts (in domestic offices) not reported in Schedule RI, Memorandum items 15.a, 15.b, and 15.c. Memorandum item 15.d would include service charges and fees on an institution’s deposit products intended for use by a broad range of depositors (which may include individuals), rather than being intended for individuals for personal, household, and family use. Thus, for such deposit products, an institution would not need to identify the fees charged to accounts held by individuals for personal, household, or family use and report these fees in one of the three categories of consumer deposit fees.

For institutions that report “yes” to the Schedule RC-E screening question, the sum of Memorandum items 15.a through 15.d must equal Schedule RI, item 5.b, “Service charges on deposit accounts (in domestic offices).”

The agencies seek specific comment on the clarity of the definitions proposed for the three categories of consumer deposit account service charges and on whether institutions’ general ledger systems or deposit account processing systems currently support the separate identification of these three categories of service charges. If these systems do not enable institutions to identify all three service charge categories for consumer deposits, comment is requested on the categories of consumer deposit account service charges for which data are available.

¹⁵ Such service charges are reported in Schedule RI, item 5.l, “Other noninterest income,” not in Schedule RI, item 5.b, “Service charges on deposit accounts (in domestic offices).”

B. Remittance Transfers

The agencies propose to add a new item 16 to Schedule RC-M, Memoranda, to collect data regarding certain international transfers of funds. The new item would facilitate supervision and monitoring related to remittance transfers, which are a subset of international transfers of funds that are newly regulated, but about which there is no comprehensive information available. Subitems within new item 16 would include multiple choice questions directed to all institutions regarding their participation in the remittance market and seek additional information from those institutions that provided more than 100 remittance transfers in the prior calendar year and expect to provide more than 100 remittance transfers in the current calendar year. The agencies propose to introduce new Schedule RC-M, item 16, in the second quarter of 2013.

Section 1073 of the Dodd-Frank Act amended the Electronic Fund Transfer Act (EFTA) to create a consumer protection regime for remittance transfers, i.e., certain electronic transfers of funds requested by a consumer sender to a designated recipient abroad that are sent by a remittance transfer provider. To implement the Dodd-Frank Act's remittance transfer requirements, the Bureau issued rules that were set to take effect on February 7, 2013. 77 FR 6194 (Feb. 7, 2012); 77 FR 40459 (July 10, 2012); 77 FR 50244 (Aug. 20, 2012) (collectively, "remittance transfer rule").

For covered transactions sent by "remittance transfer providers," the Dodd-Frank Act generally requires the provision of disclosures, establishes cancelation and refund rights, and requires the investigation and resolution of errors. However, the remittance transfer rule includes a safe harbor under which a person, including an insured depository

institution, that provided 100 or fewer remittance transfers in the previous calendar year and provides 100 or fewer remittance transfers in the current calendar year is deemed not to provide remittance transfers in the normal course of its business, and thus is not subject to the Dodd-Frank Act requirements. 12 CFR § 1005.30(f)(2)(i). Furthermore, the statute provides insured banks, savings associations, and credit unions a temporary exception under which they may provide estimates for certain disclosures in some instances. The exception expires five years after the enactment of the Dodd-Frank Act, i.e., on July 21, 2015. If the Bureau determines that expiration of this “temporary exception” would negatively affect the ability of insured institutions to send remittances to foreign countries, the Bureau may extend the exception to not longer than ten years after enactment.

In December 2012, the Bureau issued a notice of proposed rulemaking regarding three elements of the remittance transfer rule, and to propose that the effective date of the entire rule be extended until 90 days after the Bureau issues a final rule. *See* 77 FR 77187, December 31, 2012. The FFIEC and the agencies do not expect that the proposed changes would affect the need for or the timing of the new item. However, when the effective date of the rule is finalized, the agencies will consider whether it may be appropriate to introduce some or all of new item 16 in the third quarter of 2013 or later, rather than in the second quarter of 2013.¹⁶

The available data regarding the transactions and institutions covered by the Dodd-Frank Act remittance transfer requirements are very limited. For example, the FFIEC and the agencies believe that many insured institutions offer consumers methods

¹⁶ In January 2013, the Bureau delayed the February 7, 2013, effective date of the remittance transfer rule pending the finalization of the Bureau’s December 2012 proposal. *See* 78 FR 6025, January 29, 2013.

to send money abroad. At the same time, as explained in the preamble to the Bureau's rule published on August 20, 2012, data collected by the Bureau suggests that a meaningful number of institutions may qualify for the 100-transfer safe harbor in the remittance transfer rule. *See* 77 FR 50244, 50252. However, the FFIEC and the agencies are unaware of any comprehensive data available to identify reliably the number of institutions that offer consumers mechanisms for sending money abroad, or the subset of such institutions that qualify for the 100-transfer safe harbor.

Similarly, the FFIEC and the agencies are unaware of any comprehensive industry data regarding trends in the remittance transfer market. For example, some industry participants and industry associations have suggested that the Dodd-Frank Act remittance transfer requirements, as implemented, may cause some institutions to change or stop providing remittance transfer services. Such changes would affect individual institutions' compliance requirements, and also could have an impact on the nature and scope of services available to consumers who want to send money abroad. But the FFIEC and agencies do not know of any comprehensive data source that will provide information on whether or not these changes take place. Existing research on market trends has tended to focus on services provided by state-licensed money transmitters, not those provided by insured institutions.

The lack of comprehensive, reliable data regarding remittance transfers by institutions could restrict the agencies' and the Bureau's ability to provide supervisory oversight and to monitor important industry trends. In the absence of accurate and comprehensive market-wide or institution-level data, the agencies, the Bureau, and other regulators would likely have to rely on individual examination findings, ad-hoc surveys,

estimates, or limited public data to characterize the market as a whole and to understand institution-specific activities and risks.

The proposed new Schedule RC-M item would substantially aid supervisory oversight and market monitoring. Institution-specific data would help examiners to prioritize, focus, and refine their examinations. Industry-wide data would also enable monitoring of industry trends that could affect both providers and consumers of remittance transfers. For example, proposed new item 16 would facilitate monitoring of market entry and exit. Such monitoring would improve understanding of the consumer payments landscape generally, and facilitate evaluation of the remittance transfer rule's impact. Also, data regarding the number of remittance transfers that institutions provide can contribute to monitoring of the Bureau's 100-transfer safe harbor, which was the source of a number of comments and a range of opinions during the Bureau's rulemaking.¹⁷ Data regarding the services offered and systems used by individual institutions could additionally enable the FFIEC and the agencies to more finely tune supervisory procedures and policies.

The proposed new item would also help inform any later policy decisions regarding remittance transfers. For example, the FFIEC and the agencies expect that the proposed data collection would contribute to any later analysis of whether expiration of a temporary exception for insured institutions would negatively affect the ability of insured institutions to send remittances to foreign countries. As discussed below, the proposed new item includes a question regarding the frequency with which the temporary exception is used; institutions' responses could provide information on the importance of

¹⁷ In response to industry commenters' suggestion that the Bureau commit to reevaluating the safe harbor threshold, the Bureau stated that it intended to monitor it over time. 77 FR 50244, 50252.

the exception to individual institutions, or the market as a whole. Additionally, the proposed new item could assist the Board in reporting to Congress on expansion of the use of the ACH system and other payment mechanisms for remittance transfers to foreign countries, as required by section 1073(b) of the Dodd-Frank Act, and inform other statutorily required initiatives related to remittance transfers, such as assistance to the Financial Literacy and Education Commission in executing the Strategy for Assuring Financial Empowerment as it relates to remittance transfers, as required by section 1073(c)(2) of the Dodd-Frank Act.

To identify market participation, and changes that occur after the remittance transfer rule takes effect, the proposed schedule would include a one-time question regarding 2012 and an ongoing quarterly question that asks all institutions whether, during the relevant period, they offered to consumers in any state certain mechanisms for sending money to recipients abroad. The categories of mechanisms listed in the one-time and ongoing question include international wire transfers, international ACH transactions, other proprietary services operated by the reporting institution, other proprietary services operated by another party (such as a state-licensed money transmitter) for which the reporting institution is an agent or similar type of business partner, and “other.” The agencies seek comment on whether different categories of mechanisms should be listed, and whether including the “other” mechanism category is necessary.

To facilitate monitoring of the 100-transfer safe harbor and the identification of institutions that may be required to comply with the Dodd-Frank Act remittance transfer requirements, an additional annual screening question would seek information from all

institutions as to whether they expect to qualify for the 100-transfer safe harbor.¹⁸ The item would ask whether the reporting institution provided more than 100 remittance transfers in the previous calendar year or whether it estimates that it will provide more than 100 remittance transfers in the current calendar year. An answer of “yes” would indicate that the institution likely does not qualify for the safe harbor.

In addition, the subset of institutions whose answers to the annual screening question suggests that they likely do not qualify for the 100-transfer safe harbor¹⁹ would complete three quarterly items providing additional information about the reporting institution’s remittance transfers. Two items would seek information about institutions’ use of certain payment, messaging, or settlement systems for international wire and international ACH transactions, which the FFIEC and the agencies believe currently account for the great majority of remittance transfers sent by institutions. The questions would focus on the systems that an institution uses in initiating transactions on its customers’ behalf (rather than systems used by other institutions involved in the same transaction). This information can aid the agencies’ evaluation of institutions’ international wire and ACH practices. Among other things, the FFIEC and the agencies believe that an institution’s choice of payment, messaging, and settlement systems may affect the processes it uses to comply with the Dodd-Frank Act remittance transfer requirements. For example, the systems used may affect the ways in which institutions investigate and resolve errors.

¹⁸ This annual screening question would initially be completed in the Call Report for June 30, 2013, and in the Call Report for March 31 in subsequent years.

¹⁹ In some cases, even an institution that does not qualify for the safe harbor related to the term “normal course of business” will not be a “remittance transfer provider” and will not be required to comply with the Dodd-Frank Act remittance transfer requirements. *See* 12 CFR § 1005.30(f), comment 30(f)-2.

Specifically, the first of the two items would seek information on the payment, messaging, or settlement systems that an institution uses to process outbound international wire transfers for consumers. An institution would be asked to report whether it uses each of the listed systems for some, none, or all of its outbound international wire transfers for consumers. The systems listed in this item would include FedWire, CHIPS, SWIFT, a correspondent bank of which the reporting institution is a client, and other (with an instruction that the institution identify the “other” system). The agencies seek comment on whether these categories of systems are appropriate, and whether additional systems should be added to the list for this item and why.

Similarly, the second item would seek information on the payment, messaging, or settlement systems that institutions use to send outbound international ACH transactions for consumers. An institution would be asked to report whether it uses each of the listed systems for some, none, or all of its outbound international ACH transactions for consumers. The systems listed in this item would include FedACH, EPN, SWIFT, a correspondent bank of which the reporting institution is a client, and other (with an instruction that the institution identify the “other” system). The agencies seek comment on whether these categories of systems are appropriate, and whether additional systems should be added to the list for this item and why.

Finally, for the subset of institutions whose answers to the annual screening question suggest that they likely do not qualify for the 100-transfer safe harbor, the proposed new Schedule RC-M items would seek information on the volume and dollar value of remittance transfers provided, and the frequency with which the reporting institution uses the temporary exception for insured institutions. Specifically, the

agencies propose to seek volume and dollar value information with regard to certain categories of mechanisms offered to consumers for international transfers. The agencies propose that these categories correspond to the categories in the one-time and ongoing quarterly question regarding the reporting institution's market participation (e.g., international wire transfers, international ACH transactions, other proprietary services operated by the reporting institution, other proprietary services operated by another party, and "other"). For each category of mechanism, a reporting institution would provide the total number of qualifying transactions provided in the prior quarter, the total dollar value of the principal of such transactions, and the number of transactions to which the temporary exception applied. The subitems would apply to services offered to consumers, rather than services provided to another institution on a correspondent basis.

The agencies propose that the number of transactions and the related dollar values should include all transfers (a) that are "remittance transfers" as defined in 12 CFR § 1005.30(e), regardless of whether the institution or another party is the remittance transfer provider, and (b) that the institution does not know for certain are remittance transfers, but for which the disclosures described in Subpart B of Regulation E were provided. The agencies propose that if the reporting institution did not provide any remittance transfers to consumers in the normal course of its business, it should not be required to provide the requested number and dollar value of transactions.

The agencies recognize that questions regarding the volume and dollar value of transactions would seek information that banks may not have recorded or compiled previously. However, the FFIEC and the agencies expect that in order to comply with the Dodd-Frank Act remittance transfer requirements, institutions or their business partners,

such as correspondent banks or payment networks, may build systems to enable institutions to identify remittance transfers as such.

The agencies propose that if institutions are not reasonably able to provide actual amounts for the volume and dollar value of transfers and number of uses of the temporary exception, that they provide estimates that are accurate at least to two significant digits.²⁰ The agencies seek comment on the feasibility of such estimates, as well as comment on the feasibility of providing actual figures; the date by which banks may be able to provide actual figures, if not by June 2013; and the relative benefits or costs of using a different estimation approach or a different methodology to report the requested data, such as the reporting of transaction volume within certain ranges (e.g., between 1,000 and 10,000 transfers). With regard to the proposed Schedule RC-M subitem on the volume and dollar value of transactions, the agencies additionally seek comment on whether the scope of the transactions included in the calculations is appropriate, as well as whether the scope and categories of mechanisms offered to consumers for international transfers to be included are appropriate, or whether other alternatives should be used and why.

C. Depository Institution Trade Names

Some insured depository institutions use names other than their legal title as reflected in their charter to identify certain of their physical branch offices or Internet Web sites. The reasons for using these “trade names” vary: (1) in the case of physical

²⁰ “Two significant digits” means that the first digit in the number is not rounded, and the second digit is rounded to reflect all the remaining digits. In other words, for a figure between 100 and 999, the provider would round to the nearest 10, e.g., for a figure of 812, the provider would report 810; for a figure of 816,

branch offices, this is often due to a merger and an interest in maintaining the presence of the acquired institution's well recognized name in the community or communities it served; (2) in the case of multiple Web sites, this is often due not only to merger activity, but also may be part of an institution's specific marketing efforts and an interest in targeting particular groups of potential depositors or borrowers. Even though there may be valid business reasons for using trade names, this practice can confuse customers as to the insured status of the institution as well as the legal name of the insured institution that holds their deposits. Customers, for example, could inadvertently exceed the deposit insurance limits if they do business with two different branches or Web sites that are, in fact, not separately insured, but rather are simply affiliated with the same insured depository institution. Furthermore, customers risk monetary losses if they deal with fraudulent websites using trade names that purport to be insured depository institutions because customers cannot confirm whether the Web sites are, in fact, affiliated with an insured institution via the FDIC's Institution Directory or BankFind systems.

To address these concerns in relation to physical branch offices, the agencies issued an Interagency Statement on Branch Names in 1998.²¹ The Statement describes measures an insured institution should take to guard against customer confusion about the identity of the institution or the extent of FDIC insurance coverage if the institution "intends to use a different name for a branch or other facility" or "over a computer network such as the Internet." This guidance, however, did not require institutions to

the provider would report 820. For figures between 10,000 and 99,999, the provider would round to the nearest 1,000.

²¹ <http://www.fdic.gov/news/news/financial/1998/fil9846b.html>.

inform customers of their legal identity nor did it establish a formal notification requirement for the trade names an institution uses.

The FDIC regularly receives inquiries from the public about whether a particular institution, as identified by the name on its physical facilities, in print or other traditional media advertisements, or on Internet Web sites, represents an insured depository institution. Since June 1999, institutions have reported the Uniform Resource Locator (URL) of their primary Internet Web site address in the Call Report. Nevertheless, the agencies have found that many institutions commonly have multiple Web sites and that Web sites operated by insured institutions often do not clearly state the institution's legal (chartered) name. Moreover, because insured institutions are not required to report the multiple trade names that they use, including Internet Web sites other than their primary Web site, the FDIC's publicly available databases that identify insured institutions do not include trade name data that links the trade names to a specific insured institution and its deposit insurance certificate number. As a consequence, the FDIC is unable to effectively serve as an information resource for depositors and the public concerning the insured status of a physical branch office or Internet Web site that uses a trade name rather than the legal name of the insured institution. Although the FDIC researches trade names and collects trade name information in response to inquiries from the public, this information is incomplete, lags behind the creation of new trade names, and depends on inquiries from the public to identify previously unknown trade names.

To address the lack of complete and current information on depository institutions' use of trade names that differ from their legal title to identify physical branches and Internet Web sites, the agencies are proposing to supplement the reporting

of each institution's primary Internet Web site address, which is currently reported in item 8 of Call Report Schedule RC-M, Memoranda. The agencies propose to add text fields to Schedule RC-M, item 8, in which an institution that uses one or more trade names other than its legal title to identify branch office names and Internet Web sites would report all trade names used by these physical locations and the URLs for all public-facing Web site addresses affiliated with the institution. For example, if an institution's legal title is ABC National Bank, but it operates one or more office locations under the trade name of "Community Bank of XYZ" (as identified by the signage displayed on the facility), the institution would report this trade name (and any other trade names the institution uses at other office locations) in revised item 8 of Schedule RC-M. Similarly, if an institution's legal title is DEF State Bank, but it operates an Internet Web site to solicit deposits or other business under the trade name of "Your Safe and Sound Bank" (where this trade name is more clearly and prominently displayed on the Web site than the institution's legal title, if the legal title is disclosed at all), the institution would report the URL for this Web site (and the URLs for any other Web sites used to solicit business under a trade name) in revised item 8 of Schedule RC-M. The agencies seek comment on the clarity of the circumstances in which institutions would report trade names in Schedule RC-M.

D. Additional Data from Large and Highly Complex Institutions for Deposit Insurance Assessment Purposes

On October 9, 2012, the FDIC Board of Directors approved a final rule amending certain aspects of the methodology set forth in the FDIC’s assessment regulations (12 CFR Part 327) for determining the deposit insurance assessment rates for large and highly complex institutions.²² This “large bank pricing rule,” originally adopted by the FDIC Board in February 2011,²³ uses a scorecard method to determine a large or highly complex institution’s assessment rate. One of the financial ratios used in the scorecard is the ratio of higher-risk assets to Tier 1 capital and reserves. The FDIC’s October 2012 assessments final rule, which takes effect April 1, 2013, (1) revises the definitions of certain higher-risk assets in the February 2011 rule, specifically leveraged loans, which are renamed “higher-risk commercial and industrial (C&I) loans and securities,” and subprime consumer loans, which are renamed “higher-risk consumer loans”; (2) clarifies when an asset must be classified as higher risk; (3) clarifies the way securitizations are identified as higher risk; and (4) further defines terms that are used in the large bank pricing rule.

At present, large and highly complex institutions currently report the amount of their “‘Subprime consumer loans’ as defined for assessment purposes only in FDIC regulations” and their “‘Leveraged loans and securities’ as defined for assessment purposes only in FDIC regulations” in Memorandum items 8 and 9, respectively, of Call

²² See 77 FR 66000, October 31, 2012. In general, large and highly complex institutions are insured depository institutions with \$10 billion or more in total assets.

²³ See 76 FR 10672, February 25, 2011.

Report Schedule RC-O, Other Data for Deposit Insurance and FICO Assessments. The amounts to be reported in Memorandum items 8 and 9 also generally include securitizations where more than 50 percent of assets backing the securitization meet the criteria for subprime consumer loans or leveraged loans and securities, but exclude securitizations reported as trading assets on the Call Report balance sheet (Schedule RC). These two Memorandum items were added to Schedule RC-O as of the June 30, 2011, report date. However, in recognition of concerns expressed by large and highly complex institutions about their ability to identify loans meeting the subprime and leveraged loan definitions in the FDIC's February 2011 assessments final rule, the agencies provided transition guidance for reporting subprime consumer and leveraged loans and securities in the Schedule RC-O instructions issued in June 2011. That transition guidance permitted large and highly complex institutions to use either their existing internal methodologies or definitions found in existing supervisory guidance to identify and report "subprime consumer loans" and "leveraged loans" originated or purchased prior to October 1, 2011, in lieu of using the definitions of these two higher-risk asset categories in the FDIC's February 2011 final assessments rule. The original transition date for identifying and reporting subprime and leveraged loans has since been extended, most recently to April 1, 2013.

As stated in the agencies' final Paperwork Reduction Act Federal Register notice pertaining to the introduction of the Schedule RC-O reporting requirements for large and highly complex institutions:

the instructions for reporting subprime and leveraged loans and securities in the Call Report . . . specifically reference the definitions of these high-risk asset categories that are contained in the FDIC's assessment regulations (12 CFR Part 327) as amended by the FDIC's February 2011 final rule and then incorporate the

text of these definitions from the final rule (as well as the previously mentioned transition guidance). Accordingly, if and when one or both of these two definitions – as used for assessment purposes – are revised through FDIC rulemaking, the definitions of these asset categories in the agencies’ regulatory reporting instructions will be revised in the same manner to maintain conformity with the assessment regulations.²⁴

Now that the FDIC has amended the definitions of subprime and leveraged loans and securities in its October 2012 assessments final rule, and has renamed these higher-risk asset categories, the agencies will, consistent with the text quoted above, make corresponding changes to Memorandum items 8 and 9 of Schedule RC-O. Thus, Memorandum item 8 will be recaptioned “‘Higher-risk consumer loans’ as defined for assessment purposes only in FDIC regulations” and Memorandum item 9 will be recaptioned “‘Higher-risk commercial and industrial loans and securities’ as defined for assessment purposes only in FDIC regulations.” The revised instructions for these two Schedule RC-O Memorandum items will incorporate the revised definitions of these higher-risk asset categories contained in the FDIC’s October 2012 assessments final rule, including the clarified definitions of higher-risk securitizations.²⁵ These revisions will take effect June 30, 2013, which is the first report date after the April 1, 2013, effective date of the FDIC’s October 2012 assessments final rule.

As defined in the October 2012 assessments final rule, a “higher-risk consumer loan” is a consumer loan where, as of origination (or, if the loan has been refinanced, as of refinance), the probability of default (PD) within two years (the two-year PD) is

²⁴ 76 FR 77321, December 12, 2011.

²⁵ The FDIC’s October 2012 assessments final rule defines “higher-risk consumer loans,” “higher-risk commercial and industrial loans,” and “higher-risk securitizations” in Sections I.A.3, I.A.2, and I.A.5, respectively, of Appendix C to Subpart A of Part 327 of the FDIC’s regulations.

greater than 20 percent,²⁶ excluding, however, those consumer loans that meet the definition of a nontraditional 1-4 family residential mortgage loan.²⁷ Integral to its decision to adopt this definition in the October 2012 assessments final rule was the FDIC's stated intent to collect the outstanding balance of consumer loans, by two-year PD and product type, in the Call Report as a means to determine whether the 20 percent threshold for identifying "higher-risk consumer loans" should be changed. More specifically, the agencies are proposing that large and highly complex institutions would report in a tabular format the outstanding amount of all consumer loans, including those with a PD below the high-risk threshold, stratified by the 10 consumer loan product types and 12 two-year PD bands. In addition, for each product type, institutions would report the amount of unscorable loans, as defined in the October 2012 assessments final rule, and indicate whether the PDs were derived using scores and default rate mappings provided by a third-party vendor or an internal approach. The 10 proposed consumer loan product types are:

- (1) "Nontraditional 1-4 family residential mortgage loans" included in Schedule RC-C, part I, item 1.c.(2)(a) and (b);
- (2) "Closed-end loans secured by first liens on 1-4 family residential properties" as defined for Call Report Schedule RC-C, part I, item 1.c.(2)(a), excluding first liens reported as nontraditional 1-4 family residential mortgage loans;

²⁶ The FDIC's October 2012 assessments final rules sets forth the "General Requirements for PD Estimation" in Section I.A.3 of Appendix C to Subpart A of Part 327 of the FDIC's regulations.

²⁷ The FDIC's October 2012 assessments final rule defines "nontraditional 1-4 family residential mortgage loans" in Section I.A.4 of Appendix C to Subpart A of Part 327 of the FDIC's regulations. "Nontraditional 1-4 family residential mortgage loans" as defined for assessment purposes only in FDIC regulations" are reported in Schedule RC-O, Memorandum item 7, and includes higher-risk securitizations of such loans.

(3) “Closed-end loans secured by junior liens on 1-4 family residential properties” as defined for Schedule RC-C, part I, item 1.c.(2)(b), excluding junior liens reported as nontraditional 1-4 family residential mortgage loans;

(4) “Revolving, open-end loans secured by first liens on 1-4 family residential properties and extended under lines of credit” included in Schedule RC-C, part I, item 1.c.(1);

(5) “Revolving, open-end loans secured by junior liens on 1-4 family residential properties and extended under lines of credit” included in Schedule RC-C, part I, item 1.c.(1);

(6) “Credit cards” as defined for Schedule RC-C, part I, item 6.a;

(7) “Automobile loans” as defined for Schedule RC-C, part I, item 6.c;

(8) “Student loans” included in Schedule RC-C, part I, item 6.d;

(9) “Other consumer loans (including single payment and installment) and revolving credit plans other than credit cards” included in Schedule RC-C, part I, items 6.b and 6.d, but excluding student loans; and

(10) “Consumer leases,” as defined for Schedule RC-C, part I, item 10.a.

The 12 proposed two-year PD bands for consumer loans are: (1) less than or equal to 1 percent; (2) 1.01 to 4 percent; (3) 4.01 to 7 percent; (4) 7.01 to 10 percent; (5) 10.01 to 14 percent; (6) 14.01 to 16 percent; (7) 16.01 to 18 percent; (8) 18.01 to 20 percent; (9) 20.01 to 22 percent; (10) 22.01 to 26 percent; (11) 26.01 to 30 percent; and (12) greater than 30 percent.

At present, the amounts that large and highly complex institutions report for “nontraditional 1-4 family residential mortgage loans,” “subprime consumer loans,” and

“leveraged loans and securities” in Memorandum items 7, 8, and 9 of Schedule RC-O are accorded confidential treatment and not made available to the public on an individual institution basis because they are regarded as examination information. In this regard, until data on these higher-risk assets began to be collected directly in the Call Report, the FDIC looked to the examination processes at large and highly complex institutions as the means for gathering these data and, as a consequence, they have been treated as confidential examination information. Similarly, the proposed addition to Schedule RC-O of tabular data on consumer loans, by two-year PD and product type, represents a further extension of the collection of confidential examination information, which also will not be made available to the public on an individual institution basis.

In addition, over the past six quarters as the FDIC has worked with the data collected in Schedule RC-O and elsewhere in the Call Report that serve as inputs to the growth adjusted portfolio concentration measure, the higher-risk asset concentration measure, and the loss severity measure used in the scorecard calculations under the large bank pricing rule, certain data gaps have been identified in the data needed to perform these calculations in the manner intended under this rule. Therefore, the agencies are proposing to add a number of new Memorandum items to Schedule RC-O and revise several existing Memorandum items to eliminate these data gaps. These proposed changes to Schedule RC-O would apply only to large and highly complex institutions.

On the FFIEC 031 report form, which is applicable to institutions with foreign offices, Schedule RC-C, part I, item 1, “Loans secured by real estate,” does not capture a breakdown of these loans for the consolidated institution by the type of loan and collateral. Such a breakdown is collected for “Loans secured by real estate” in domestic

offices. As a consequence, because “Loans secured by real estate” in foreign offices are not reported by type of loan and collateral in Schedule RC-C, part I, the loss severity measure in the large bank pricing rule treats all foreign office real estate loans as “Other loans” and assigning a higher loss rate to these “Other loans” than would otherwise be assigned to them based on their actual type of loan and collateral. The absence of these details on foreign office real estate loans also affects the growth adjusted portfolio concentration measure and the higher-risk asset concentration ratio. Similarly, within Schedule RC-O on the FFIEC 031 report, existing Memorandum items 10.a and 10.b capture data relating to “Commitments to fund construction, land development, and other land loans secured by real estate in domestic offices” while Memorandum items 13.a through 13.d collect data on the portion of certain categories of funded loans secured by real estate in domestic offices that are guaranteed or insured by the U.S. government. Because these Memorandum items also overlook the corresponding unfunded loan commitments and funded loans in foreign offices, the scorecard measures that use these inputs lack the information necessary to accurately calculate the affected ratios. The absence of detailed data on real estate loans in foreign offices affects a minority of the approximately 110 large and highly complex institutions.

To remedy this deficiency in the real estate loan data reported by large and highly complex institutions with foreign offices, the agencies are proposing to add new Memorandum items to the FFIEC 031 version of the Call Report effective June 30, 2013, that would provide for the reporting of a breakdown of the consolidated institution’s “Loans secured by real estate” into the same nine types of loans and collateral as those reported for domestic offices only in Schedule RC-C, part I, items 1.a.(1) through 1.e.(2).

Additionally, the scope of Memorandum items 10.a, 10.b, and 13.a through 13.d in Schedule RC-O would be revised to cover the specified unfunded commitments and funded loans in both domestic and foreign offices (i.e., for the consolidated bank).

The definitions of the individual asset classes that make up the growth adjusted portfolio concentration measure and the higher-risk asset concentration measure for large and highly complex institutions exclude the maximum amounts recoverable from the U.S. government under guarantee or insurance provisions, including FDIC loss-sharing agreements. In Memorandum items 13.a through 13.g of Schedule RC-O, institutions report for several categories of funded loans the portion of these loans guaranteed or insured by the U.S. government, but they do not include the amount protected by FDIC loss-sharing agreements and, thus, do not precisely mirror the definitions of the individual measures that make up the higher-risk asset concentration measure for large and highly complex institutions. The balance sheet amounts of loans covered by loss-sharing agreements are currently reported in items 13.a.(1) through 13.a.(5) of Schedule RC-M, Memoranda. However, these items disclose only the total amount of these loans and not the portion of the loans that is protected by loss-sharing agreements. Consequently, for scorecard calculation purposes, the FDIC has been assuming that 80 percent of the loan amounts reported in Schedule RC-M are covered by loss-sharing agreements since most loss-sharing agreements cover 80 percent of the loan amounts. However, the actual percentage of loss-share coverage for some loss-share agreements differs. Accordingly, the agencies are proposing to revise existing Memorandum items 13.a through 13.g of Schedule RC-O so that institutions include, rather than

exclude, the portion of specified loan categories covered by FDIC loss-sharing agreements.²⁸

In addition, the growth adjusted portfolio concentration measure, as defined in the large bank pricing rule, includes non-agency residential mortgage-backed securities (reported in items 4.a.(3) and 4.b.(3), columns A and D, of Schedule RC-B, Securities), excluding the portion guaranteed or insured by the U.S. government (e.g., under FDIC loss-sharing agreements). However, the amount of the U.S. government-guaranteed or -insured portion of such securities is not currently collected in the Call Report. To eliminate this data deficiency, the agencies propose to add a new Memorandum item 13.h to Schedule RC-O to collect this missing information on non-agency residential mortgage-backed securities from large institutions only. These proposed revisions to Memorandum item 13 would take effect June 30, 2013.

E. Total Liabilities of an Institution's Parent Depository Institution Holding Company That is Not a Bank or Savings and Loan Holding Company

Section 622 of the Dodd-Frank Act establishes a financial sector concentration limit ("Concentration Limit") that generally prohibits a financial company from merging or consolidating with, acquiring all or substantially all of the assets of, or otherwise acquiring control of, another company if the resulting company's consolidated liabilities would exceed 10 percent of the aggregate consolidated liabilities of all financial

²⁸ Memorandum item 13.a would continue to be completed by large and highly complex institutions, while Memorandum items 13.b through 13.g would continue to be completed by large institutions only.

companies. The Concentration Limit was adopted as a new section 14 to the Bank Holding Company Act of 1956, as amended, to be codified at 12 U.S.C. 1852.

The Concentration Limit applies to a “financial company,” which is defined to include any company that controls an insured depository institution – including a commercial firm that controls an industrial loan company or a limited-purpose credit card bank – as well as an insured depository institution and a nonbank financial company supervised by the Board.²⁹ These firms are subject to the Concentration Limit, and their liabilities are included in the denominator of the Concentration Limit for purposes of determining whether other financial companies are in compliance with the limit.

“Liabilities” for purposes of the Concentration Limit are defined differently for financial companies domiciled in the United States than for financial companies domiciled abroad. For U.S.-domiciled financial companies, “liabilities” include a firm’s total consolidated liabilities on a worldwide basis. For financial companies domiciled abroad, “liabilities” include the liabilities of the firm’s U.S. operations.

The Financial Stability Oversight Council (“Council”) is required to make recommendations regarding any modifications to the concentration limit that the Council determines would more effectively implement Section 622. The Council recommended that, in measuring the Concentration Limit, the liabilities of a financial company (that is not subject to consolidated risk-based capital rules substantially similar to those applicable to bank holding companies) should be calculated pursuant to U.S. generally accepted accounting principles (GAAP) or other appropriate accounting standards

²⁹ A parent holding company has control over a depository institution if the company (A) the company directly or indirectly or acting through one or more other persons owns, controls, or has power to vote 25 per centum or more of any class of voting securities of the depository institution; (B) the company controls in any manner the election of a majority of the directors or trustees of the depository institution; or

applicable to such company. The Council also recommended that the Board calculate aggregate financial sector liabilities using a two-year rolling average and publicly report a final calculation of the aggregate consolidated liabilities of all financial companies as of the end of the preceding calendar year.³⁰

At present, depository institution holding companies that are not bank holding companies or savings and loan holding companies do not report consolidated financial information to the agencies. Because this information is necessary to implement the Concentration Limit, the agencies propose to add a new item 17 to Call Report Schedule RC-M, Memoranda, in which a subsidiary depository institution of a depository institution holding company that is not a bank holding company or savings and loan holding company would be required to report information on the liabilities of the parent depository institution holding company, as communicated by the holding company to the institution. This new item would not be applicable to any other depository institutions. Because the Board is required to report a final calculation as of the end of each calendar year, this proposed new Schedule RC-M item would be completed for only the December report beginning December 31, 2013.

Specifically, with respect to a subsidiary depository institution of a depository institution holding company domiciled in the United States, the institution would be required to report total consolidated liabilities of the parent depository institution holding company under U.S. GAAP as of the December 31 Call Report date, as communicated to

(C) the Board determines, after notice and opportunity for hearing, that the company directly or indirectly exercises a controlling influence over the management or policies of the depository institution.

³⁰ See <http://www.treasury.gov/initiatives/fsoc/studies-reports/Documents/Study%20on%20Concentration%20Limits%20on%20Large%20Firms%2001-17-11.pdf>.

the institution by the depository institution holding company. With respect to a subsidiary institution of a depository institution holding company domiciled in a country other than the United States, the institution would be required to report the total consolidated liabilities of the combined U.S. operations of the depository institution holding company as of the December 31 Call Report date, as communicated to the institution by the parent. “Total consolidated liabilities of the combined U.S. operations of the depository institution holding company” would mean the sum of the total consolidated liabilities of each top-tier U.S. subsidiary of the depository institution holding company, as determined under U.S. GAAP. A subsidiary depository institution would be permitted, but not required, to reduce “total consolidated liabilities of the combined U.S. operations of the depository institution holding company” by amounts corresponding to balances and transactions between U.S. subsidiaries of the depository institution holding company to the extent such items would not already be eliminated in consolidation.

The agencies recognize that it is not customary to use the Call Report as the vehicle for collecting data pertaining to a company other than the reporting depository institution, including entities the institution consolidates. Nevertheless, the agencies view the Call Report as a more efficient conduit for collecting a single annual data item for the total consolidated liabilities of a reporting institution’s parent depository institution holding company that is not a bank or savings and loan holding company than the alternative of having the Board initiate a new information collection applicable to the limited number of depository institution holding companies that are not bank or savings

and loan holding companies for the sole purpose of annually collecting this single data item.

The agencies also acknowledge that, when filing a Call Report, the reporting institution's chief financial officer (or equivalent) must attest that the report has been prepared in conformance with the Call Report instructions and is true and correct to the best of his or her knowledge and belief. A specified number of the reporting institution's directors must make a similar attestation. Because a depository institution controlled by a depository institution holding company that is not a bank or savings and loan holding company would have to obtain the amount of its parent depository institution holding company's total consolidated liabilities from the parent in order to report this amount in the Call Report, the agencies would expect an institution to use its best efforts to obtain this information from its parent depository institution holding company and would accept a reasonable estimate of the parent's total consolidated liabilities. In light of the Call Report attestation requirement described above, the agencies propose to exclude from the scope of the attestations for the institution's chief financial officer (or equivalent) and directors the amount of the parent holding company's total consolidated liabilities reported in Schedule RC-M, item 17. However, for the limited number of depository institutions to which item 17 will be applicable, this item would be accompanied by an attestation to be signed by the depository institution's chief financial officer (or equivalent) stating that item 17 has been prepared in conformance with the Call Report instructions. The instructions for proposed Memorandum item 17 would provide that a depository institution could rely on a reasonable estimate of the total consolidated liabilities of its parent depository institution holding company obtained on a

best efforts basis. The agencies request comment on whether this approach addresses potential attestation concerns that may arise when an insured depository institution must report the total consolidated liabilities of its parent depository institution holding company that is not a bank or savings and loan holding company in the institution's Call Report.

F. Revising the Scope of Schedule RI-A, Item 11

The instructions for item 11, "Other transactions with parent holding company," in Schedule RI-A, Changes in Bank Equity Capital, currently advise institutions to report the net aggregate amount of transactions with the institution's parent holding company that affect equity capital directly, other than those transactions required to be reported in other items of Schedule RI-A (e.g., cash dividends, sales and retirements of capital stock, and treasury stock transactions). The instructions for item 11 identify two transactions to be reported in this item: capital contributions other than those for which stock has been issued to the parent holding company and dividends to the holding company in the form of property rather than cash.

Although the scope of Schedule RI-A, item 11, is limited to transactions with an institution's parent holding company, the two types of transactions identified in the instructions for this item can be conducted with an institution's stockholders other than a parent holding company. In this situation, neither the instructions for item 11 nor the instructions for any of the other items in Schedule RI-A explains where these capital

transactions with stockholders other than a parent holding company should be reported within the schedule.

In addition, an institution may from time to time reduce its contributed capital (i.e., surplus) without retiring any of its stock through a return-of-capital transaction in which cash is distributed to the institution's owners, typically its parent holding company. Such a return-of-capital transaction is separate and distinct from a dividend payment, which reduces retained earnings and is reported in either item 8 or 9 of Schedule RI-A. At present, the instructions for Schedule RI-A do not explicitly identify the item within the schedule in which return-of-capital transactions should be reported. In this regard, Schedule RI-A, item 5, "Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)," includes the redemption or retirement of perpetual preferred stock or common stock (including stock owned by a parent holding company), but the instructions for this item are silent regarding return-of-capital transactions.

Accordingly, the agencies are proposing to revise the scope of Schedule RI-A, item 11, to include capital contributions received from stockholders other than an institution's parent holding company when stock is not issued, property dividends involving stockholders other than a parent holding company, and return-of-capital transactions with all stockholders, including a parent holding company. In addition to revising the instructions for item 11, the caption for this item also would be revised to read "Other transactions with stockholders (including a parent holding company)." These proposed changes would take effect June 30, 2013.

III. Other Matters

On February 17, 2012, the agencies announced that they were continuing to evaluate a new proposed Call Report Schedule RC-U, Loan Origination Activity (in Domestic Offices), in light of the comments received.³¹ The FFIEC and the agencies have completed their evaluation of Schedule RC-U and have determined not to pursue implementation of this proposed Call Report schedule.³²

Memorandum items 5.a and 5.b of Call Report Schedule RC-O collect data on the amount and number of noninterest-bearing transaction accounts of more than \$250,000. In the 2010 initial and final PRA notices describing this collection, the agencies stated that this collection would cease after December 31, 2012, unless Congress extended a law allowing for unlimited deposit insurance on these accounts beyond that date. Congress did not extend that law, and the temporary unlimited deposit insurance for such accounts ended on December 31, 2012. However, there is considerable interest across the agencies in monitoring the behavior of these deposit accounts following the change in insurance coverage. Specifically, the agencies are interested in tracking the movement of these funds and accounts among individual insured institutions and within the depository institution system as a whole. Accordingly, the agencies will continue to collect these Memorandum items in the March 31, 2013, Call Report and in future reports.³³ The agencies will review this information and reconsider the collection at such time as the

³¹ 77 FR 9727.

³² Similarly, the FFIEC and the agencies have completed their evaluation of proposed Schedule U, Loan Origination Activity, on the Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002; OMB No. 7100-0032) and have determined not to pursue implementation of this proposed schedule on the FFIEC 002 report. *See* 77 FR 14367, March 9, 2012.

³³ The agencies also will continue to collect the corresponding Memorandum items on the FFIEC 002 report.

number of accounts and amount of deposits stabilizes. The agencies request comment on whether to continue collecting this information, absent the extension of the law providing deposit insurance for these accounts.

Request for Comment

Public comment is requested on all aspects of this joint notice. Comments are invited on:

- (a) Whether the proposed revisions to the collections of information that are the subject of this notice are necessary for the proper performance of the agencies' functions, including whether the information has practical utility;
- (b) The accuracy of the agencies' estimates of the burden of the information collections as they are proposed to be revised, including the validity of the methodology and assumptions used;
- (c) Ways to enhance the quality, utility, and clarity of the information to be collected;
- (d) Ways to minimize the burden of information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and
- (e) Estimates of capital or start up costs and costs of operation, maintenance, and purchase of services to provide information.

Comments submitted in response to this joint notice will be shared among the agencies. All comments will become a matter of public record.

Dated: February 4, 2013

Michele Meyer,
Assistant Director, Legislative and Regulatory Activities Division,
Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System, February 14, 2013.

Robert deV. Frierson, Secretary of the Board.

Dated at Washington, D.C., this 4th day of February, 2013.

FEDERAL DEPOSIT INSURANCE CORPORATION

Robert E. Feldman
Executive Secretary

Billing Codes

OCC: 4810-33-P 1/3
Board: 6210-01-P 1/3
FDIC: 6714-01-P 1/3

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